



**DEPARTMENT OF THE TREASURY**  
**INTERNAL REVENUE SERVICE**  
**WASHINGTON, D.C. 20224**

MEMORANDUM FOR: Steven Musher  
Associate Chief Counsel (International)

FROM: Craig A. Sharon, APA Program Director

DATE: January 21, 2009

SUBJECT: APA Quarterly Report for FY 2009,  
First Quarter Ending 12/31/08

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The following are the APA Program's results for the first quarter of FY 2009 ("Q1").

**APAs Completed**

The APA Program completed 33 APA matters in Q1, consisting of 8 unilateral APAs and 25 bilateral APAs.

**Negotiating-Position Papers**

The APA Program completed 24 bilateral negotiating position papers in Q1.

**Annual Reports**

The APA Program completed its review of and closed 86 annual reports in Q1.

**New Matters**

The APA Program received 30 new APA matters in Q1, consisting of 19 bilateral matters and 11 unilateral APA matters.

**APA Inventory**

The APA Program has an ending inventory of 296 open matters.<sup>1</sup> This consists of 243 bilateral and 53 unilateral matters.<sup>2</sup>

Attached for your information is the APA issuance report and open inventory reports as of December 31, 2008. Please contact me at (202) 435-5222 if any additional information is required.

Respectfully submitted,

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Craig A. Sharon  
APA Program Director

Attachments

cc: LMSB Commissioner  
Director, International  
National Director of Appeals  
LMSB Division Counsel

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1. This equals beginning Q1 inventory of 296 matters, plus 30 receipts, less 33 closures ( $296 + 30 - 33 = 293$ ). There were four (4) inventory adjustments made. These adjustments made the beginning inventory at 296 instead of 292.

2. The 296 open matters include 40 pending dollar filings (31 bilateral and 9 unilateral). Thus

- The APA Program has an inventory of 256 active cases, i.e., 296 open matters less 40 pending dollar filings.
- The 256 active cases consist of 212 bilateral cases (243 total bilateral matters less 31 pending bilateral dollar filings) and 44 unilateral cases (53 total unilateral matters less 9 pending unilateral dollar filings).
- The APA Program has forwarded 113 of the 212 active bilateral matters to Competent Authority. Thus, the APA Program has a current working inventory of 143 cases, consisting of 99 bilateral (212 active bilateral cases less 113 forwarded to Competent Authority) and 44 active unilateral cases.